

**STATE OF SOUTH CAROLINA  
BEFORE THE PUBLIC SERVICE COMMISSION  
DOCKET NO. 2022-89-G**

IN RE:	)	
	)	
Application of Piedmont Natural Gas	)	<b>SOUTH CAROLINA DEPARTMENT OF</b>
Company, Inc. for Adjustment of Rates	)	<b>CONSUMER AFFAIRS FIRST SET OF</b>
and Charges.	)	<b>INTERROGATORIES AND REQUESTS</b>
	)	<b>FOR PRODUCTION TO PIEDMONT</b>
	)	<b>NATURAL GAS COMPANY, INC.</b>

Pursuant to S.C. Code Ann. Regs. 103-833, the South Carolina Department of Consumer Affairs (the “Department”), by and through its undersigned counsel, hereby submits this First Set of Interrogatories and Requests for Production to Piedmont Natural Gas Company, Inc. (“Piedmont” or “Company”). Pursuant to South Carolina Rule of Civil Procedure 26(e), and Commission regulations, each request is continuing until the time of the hearing such that the Company must promptly transmit to the Department the requested information as it becomes available.

**INSTRUCTIONS**

1. Responses to these requests should be provided to the undersigned, via email, within twenty (20) days of the date of service.
2. All information should be provided to the undersigned in the format requested and under oath.
3. All responses to the below requests should be labeled using the same numbers as used herein.
4. If the requested information is found in other places or in other exhibits, reference shall not be made to those, but instead, the information should be reproduced and placed in the responses to this request in the appropriate sequence.
5. All documents shall be provided in their native format, e.g., in Word, Excel, or PowerPoint format with all functions, data, and formulas intact.
6. Each request should be reproduced at the beginning of the response thereto.
7. If the response to any Request for Production of Documents is that the information requested is not currently available, please state when the information requested will become available.
8. This request shall be deemed continuing so as to require Piedmont to supplement or amend its responses as any additional information becomes available up to and through the date of hearing.
9. For any document withheld under a claim of privilege, submit a sworn or certified statement from your counsel or one of your employees in which you identify the document by author, addressee, date, number of pages, and subject matter; specify the nature and basis of the

claimed privilege and the paragraph of this demand for documents to which the document is responsive; and identify each person to whom the document or its contents, or any part thereof, has been disclosed.

10. If a refusal to respond to a Request for Production of Documents is based on the grounds that same would be unduly burdensome, identify the number and nature of documents needed to be searched, the location of the documents, and the number of hours and costs required to conduct the search.

11. Answer each request on the basis of the entire knowledge of Piedmont, including information in the possession of Piedmont or its consultants, representatives, agents, experts, operating divisions, business divisions, assigns, partners, and attorneys, if any.

12. If any request cannot be answered in full, respond to the extent possible and specify the reasons for Piedmont's inability to respond.

### **DEFINITIONS**

As used herein, the following terms shall have the meaning and be interpreted as set forth below:

1. "You," "your," and "Company" mean Piedmont or any of its affiliates, officers, directors, employees, attorneys, or agents.

2. "Application" is defined as the application filed by Piedmont Natural Gas Company, Inc. on April 1, 2022, or as otherwise revised.

3. "Company" and "Piedmont" are defined as Piedmont Natural Gas Company, Inc., its parent(s), subsidiaries, affiliates, predecessors, successors, officers, directors, agents, employees, and other persons acting in its behalf.

4. "Workpapers" and "documents" are defined in the broadest terms and should not be construed as limited to the listed examples or limited only to items that are currently within your control or custody; include each and every original or copy of words or information generated by printing, typing, longhand, electronic recording, or other process, regardless of the form thereof, and include any kind of writing. Such documents include, but are not limited to, published materials, reports, correspondence, emails, records, memoranda, notices, notes, marginal notations, messages, teletype printouts, statements, books, studies, minutes, diagrams, drawings, maps, surveys, plans, charts, graphs, data, computer files, billings, evaluations, photographs, audio tapes, and videotapes. The terms include drafts, revisions or amendments of any of the above, and generally, any kind of tangible, permanent records that are now, or formerly were, in your possession, custody or control, or that were known by you to exist, and that can be located or discovered by reasonably diligent efforts.

5. "Communication(s)" when used in these Requests shall include the transmittal of information by any means, written, oral, electronic or otherwise.

6. When used in referenced to a document, "identify," identity," and "identification" mean to state the type of document (e.g., computer-stored information, microfilm, letter, memorandum, policy circular, minute book, telegram, chart, etc.), or some other means of identifying it, and its present location and custodian. If any such document was, but no longer is, in

your possession or subject to your control, state what disposition was made of the document, and if the document was destroyed or disposed of pursuant to a retention policy, please state the retention policy.

### **DOCUMENT AND INFORMATION REQUESTS**

- 1-1 Please provide a copy of all questions, discovery, or information requests submitted to the Company by other parties, including the Office of Regulatory Staff (“ORS”), and provide the Company’s responses, including responsive documents or materials, to such requests.
- 1-2 Please provide a copy of all questions, discovery, or information requests submitted by the Company to other parties and provide the parties’ responses, including responsive documents or materials, to such requests.
- 1-3 Provide all workpapers, reports and source documents that support or form the basis for the Company’s Application, testimony, and exhibits. Please provide the requested documents in electronic form with any applicable spreadsheet links and formulas intact. Include the source data and explain all assumptions and calculations used. To the extent the data requested is not available in the form requested, provide the information in the form that most closely matches what has been requested.
- 1-4 Please provide a copy of Mr. Coyne’s exhibits from his direct testimony in Excel format with all formulas intact.
- 1-5 Please provide a copy of all sources referenced in Mr. Coyne’s direct testimony.
- 1-6 Please provide the actual balance of short-term debt used by Piedmont for each month (or most frequently available) from January 1, 2015, to the most currently available in Excel format.
- 1-7 Please provide the monthly (or most frequently available) balance sheet and income statements for Piedmont for each year from January 1, 2015, to the most currently available in Excel format.
- 1-8 Please provide the monthly (or most frequently available) balance sheet and income statements for Duke Energy for each year from January 1, 2015, to the most currently available in Excel format.
- 1-9 Please provide the most currently available bond ratings given to Duke Energy and Piedmont, respectively, from each of the major bond rating agencies including, but not necessarily limited to, Fitch, Inc. ("Fitch"), Moody’s Investors Service, Inc. ("Moody's"), and Standard & Poor’s Ratings Services ("S&P").
- 1-10 For the years 2018, 2019, 2020 and 2021, please provide a copy of each and every of the bond rating reports issued by S&P, Moody's and Fitch that covers Duke Energy and Piedmont.
- 1-11 Please provide the total actual balance of CWIP broken down into CWIP earning AFUDC and CWIP not earning AFUDC for Piedmont for each month (or most frequently available) from January 1, 2017, to the most currently available.

- 1-12 Please state how the AFUDC rate is calculated and state what that rate has been for each month (or most frequently available) from January 1, 2017, to the most currently available for Piedmont.
- 1-13 Please provide the amount of short-term debt that was applied to the computation of the AFUDC rate associated with CWIP on a monthly basis for each month (or most frequently available) from January 1, 2017, to the most currently available for Piedmont.
- 1-14 Please explain how Piedmont, Duke Energy, and Piedmont Group decide what level of short-term debt to use for:
- a. Piedmont
  - b. Duke Energy
- 1-15 Does Piedmont issue common stock to the public for its subsidiaries? Please explain.
- 1-16 Please provide a copy of the bond indentures of all currently active bond indentures for Duke Energy, and Piedmont.
- 1-17 Is there any “ring fencing” around any of the Duke Energy subsidiaries to contain liabilities in the event of financial troubles at any one of the subsidiaries? a. If yes, please state which ones have the ring fencing. Provide the documentation that shows this ring fencing exists.
- 1-18 Please provide a copy of all studies relied upon by Piedmont to determine what capital structure is appropriate for Piedmont and Duke Energy.
- 1-19 Please define the cost of equity.
- 1-20 Is the cost of equity market-based? Please explain.
- 1-21 Are capital markets predictable? Please explain.

## S.C. DEPARTMENT OF CONSUMER AFFAIRS



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April 29, 2022  
Columbia, South Carolina

**CERTIFICATE OF SERVICE**

I, Roger Hall, hereby certify that the foregoing document was served by electronic mail on all parties at the addresses listed in the Commission's official service list for Docket 2022-89-G on April 29, 2022

A handwritten signature in blue ink, appearing to read "Roger Hall", is positioned above a horizontal line.

Roger Hall, Esq.